



National Broadband Plan: Reaching the Goals

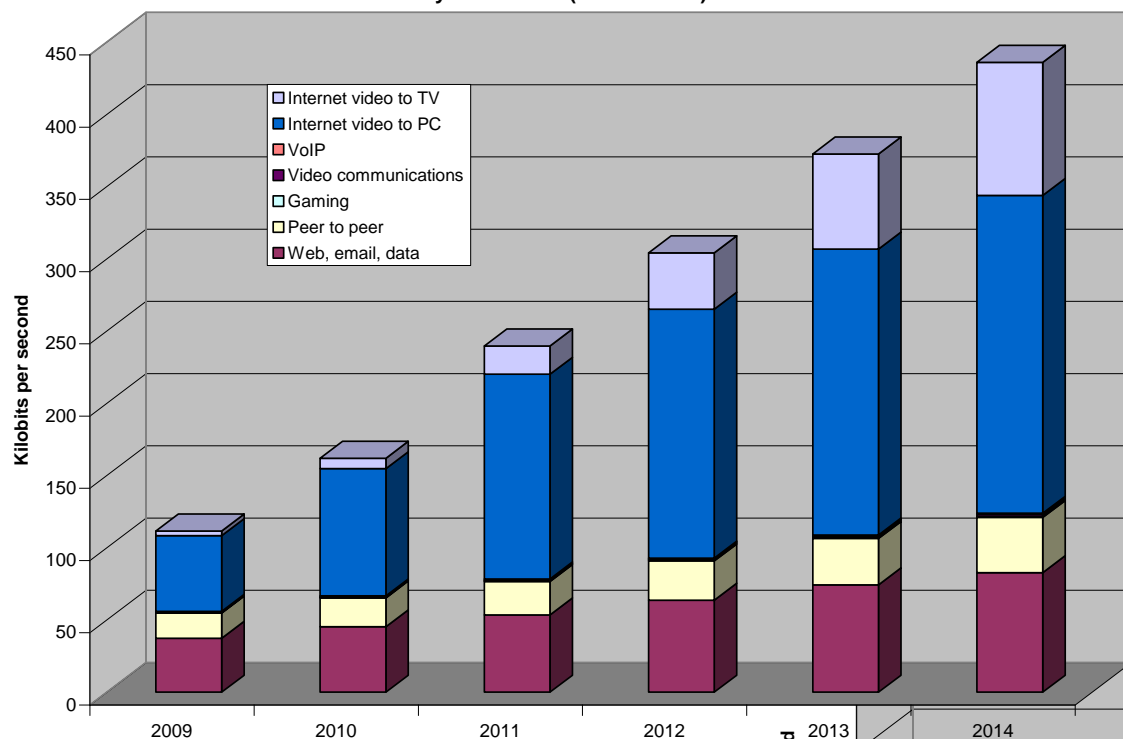
September 2010



Consumer Traffic Projections

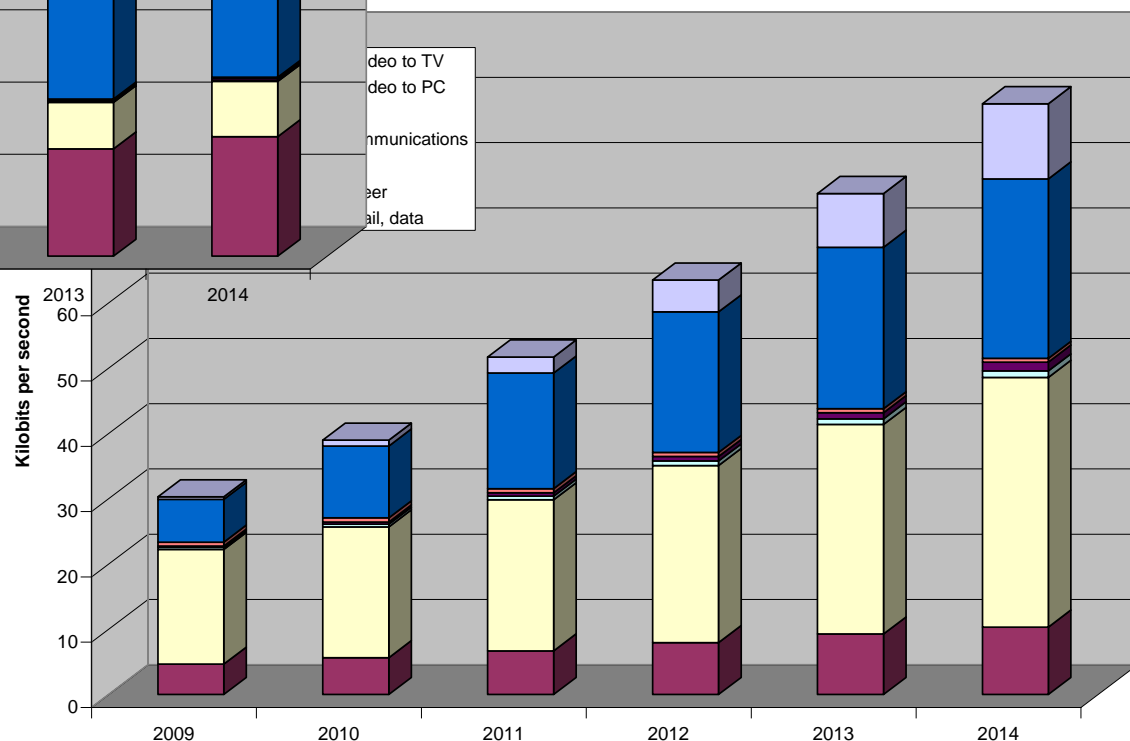
- Cisco Visual Networking Index (VNI)
 - Estimates aggregate traffic for regions (e.g., North America)
 - Breaks down by application class (video, p2p, etc.)
 - Projections to year 2014
- ADTRAN per-household traffic projections
 - Cisco data used as baseline
 - Petabytes per month per continent
 - Converted to busy hour Mbps per household
 - Extended projections (as a range) to 2020

Busy hour traffic (downstream)



- By 2014:
 - OTT streaming video is 72% of total downstream traffic
 - Steady percentage decline in P2P

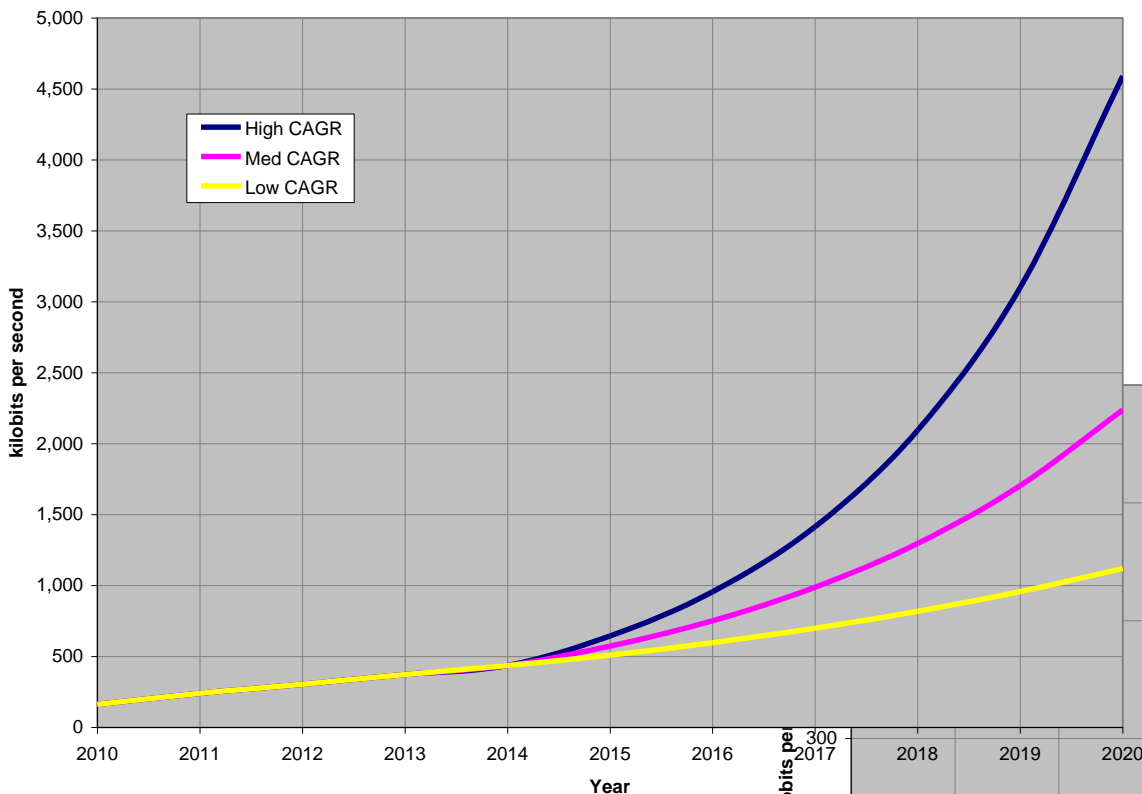
Busy hour traffic (upstream)



- Consumer traffic is becoming more asymmetric

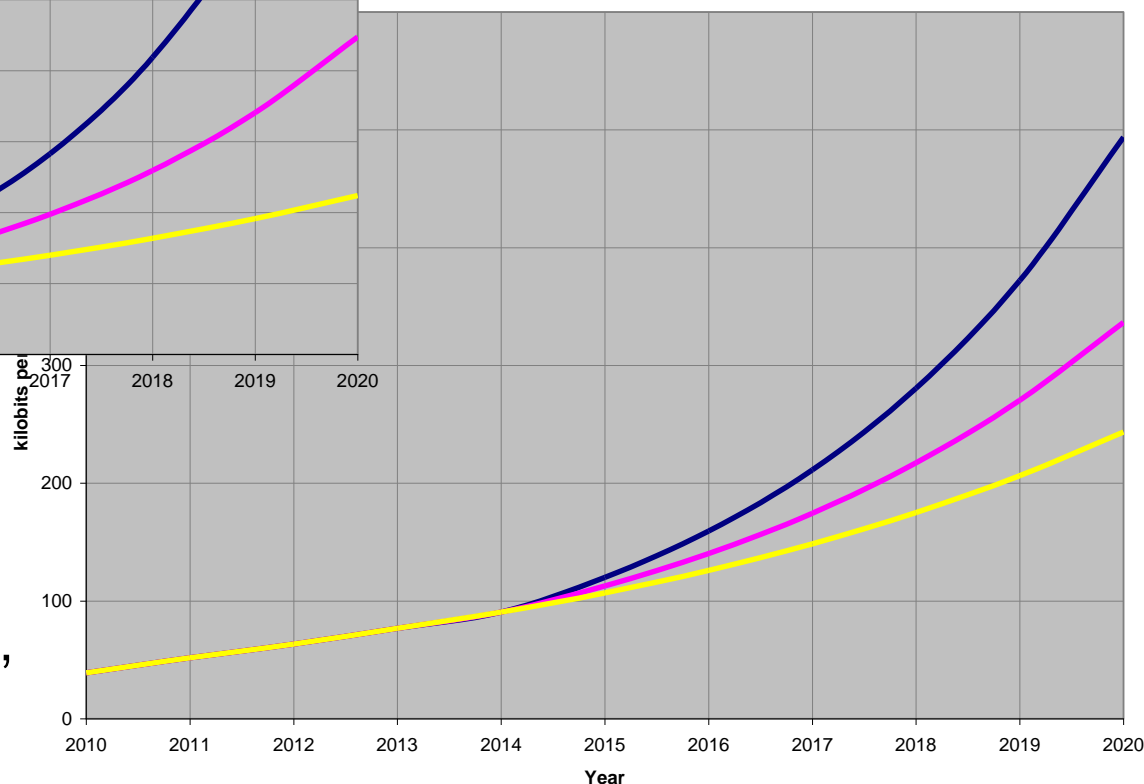
Busy hour traffic to 2020

Busy hour traffic (downstream)



- Estimated range based on highest, lowest, and average CAGR for 2009-2014 in each direction

Busy hour traffic (upstream)

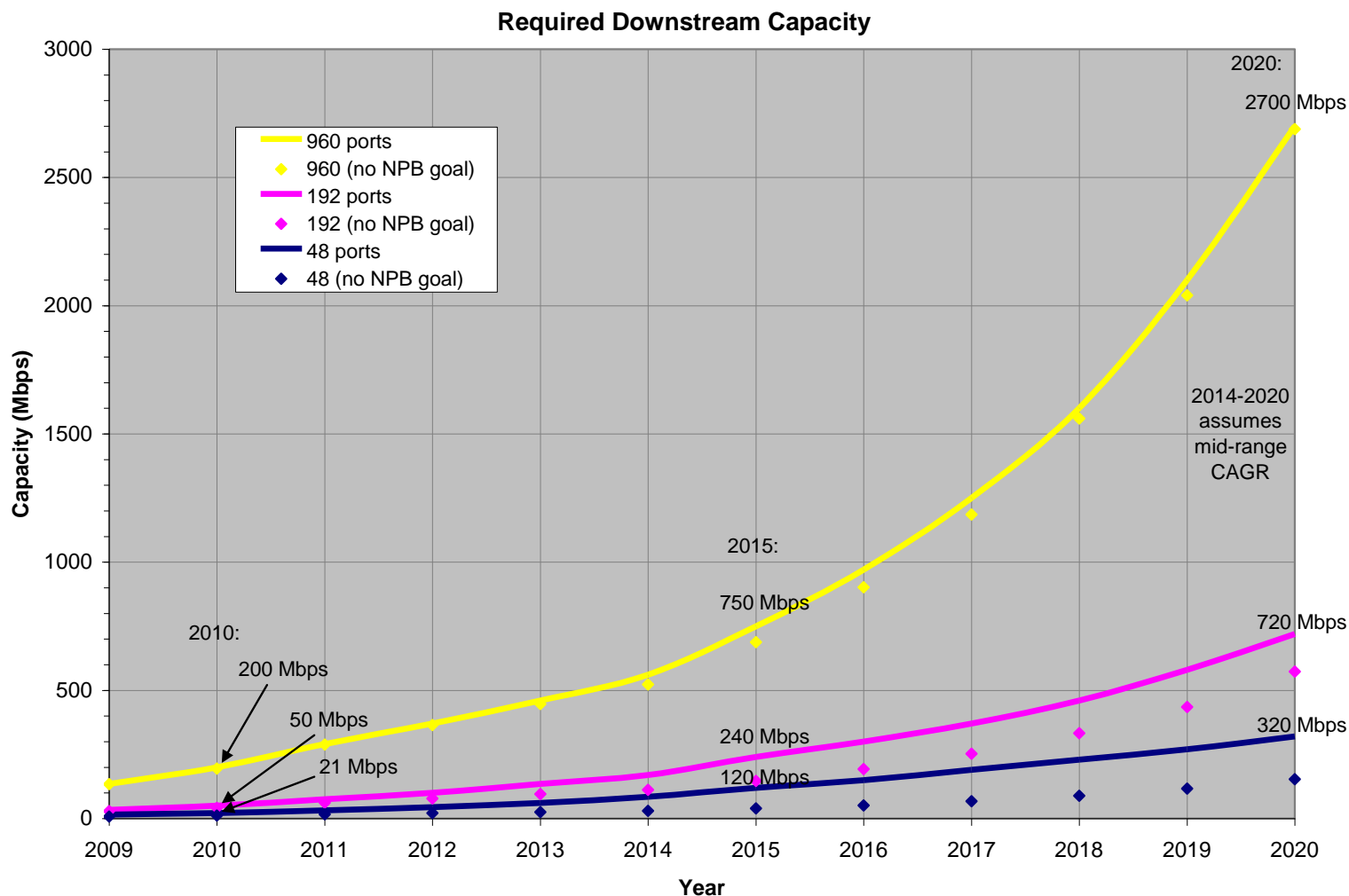


- 2015: 510 to 650 kbps down, 110 to 120 kbps up
- 2020: 1.1 to 4.6 Mbps down, 240 to 490 kbps up

- Goal: “100 Mbps to 100 million homes by 2020”
 - 100 Mbps down, 50 Mbps up
 - Intermediate goal: 50 Mbps down, 20 Mbps up by 2015
- Minimum threshold for broadband: 4/1 Mbps
- “Actual rates” - no specific definition
 - **Not** “up to” or advertised rate
 - Average rate?
 - 95th percentile rate?
- Our estimates use 95th percentile rate
 - Can be compared to minimum required for streaming playout
 - FCC texts use 95th percentile
 - National Broadband Plan, p.45
 - OBI Technical Paper No.1, p.71

Typical Capacity Requirements

- Lines combine traffic projections and NBP performance goals
- Points based on traffic projections only (5 to 10 Mbps performance)



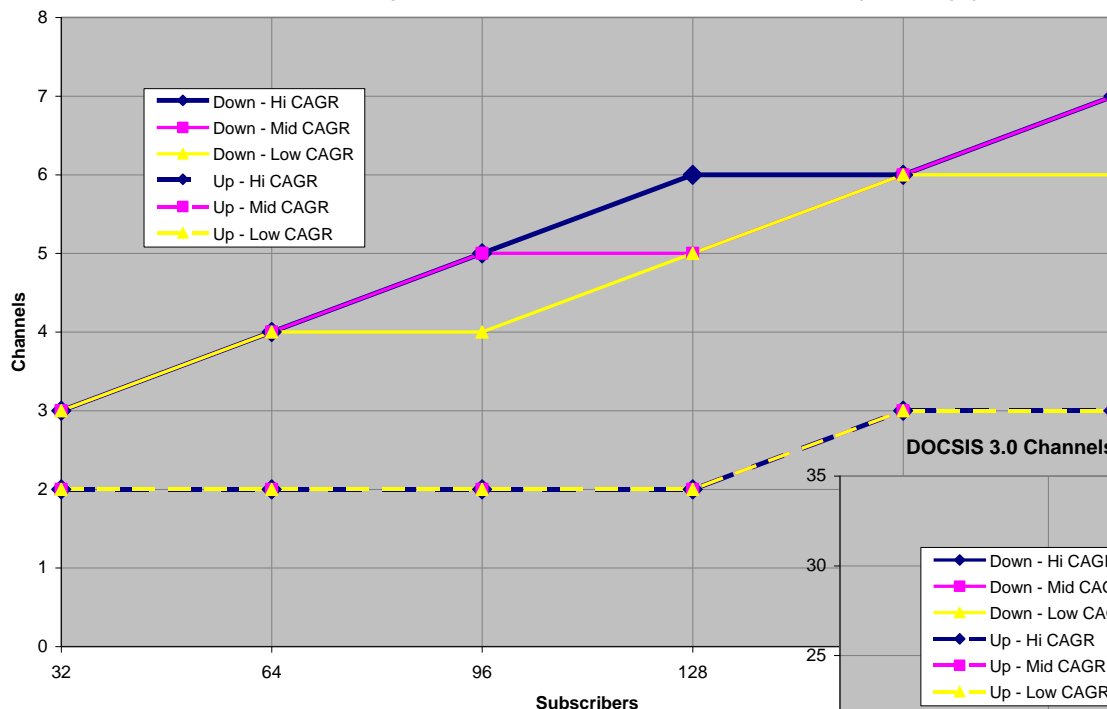


Access Technologies

- Each "first mile" technology analyzed against NBP goals
- Each technology has different type of limit or tradeoff
 - PON: split ratio
 - HFC: # subs vs. channels required
 - DSL: loop length
 - FWA: # subs vs. channel bandwidth vs. sectors vs. frequency ...
- Growth rates used
 - Mid-range for 50 and 100 Mbps performance targets
 - Low for 4 Mbps target

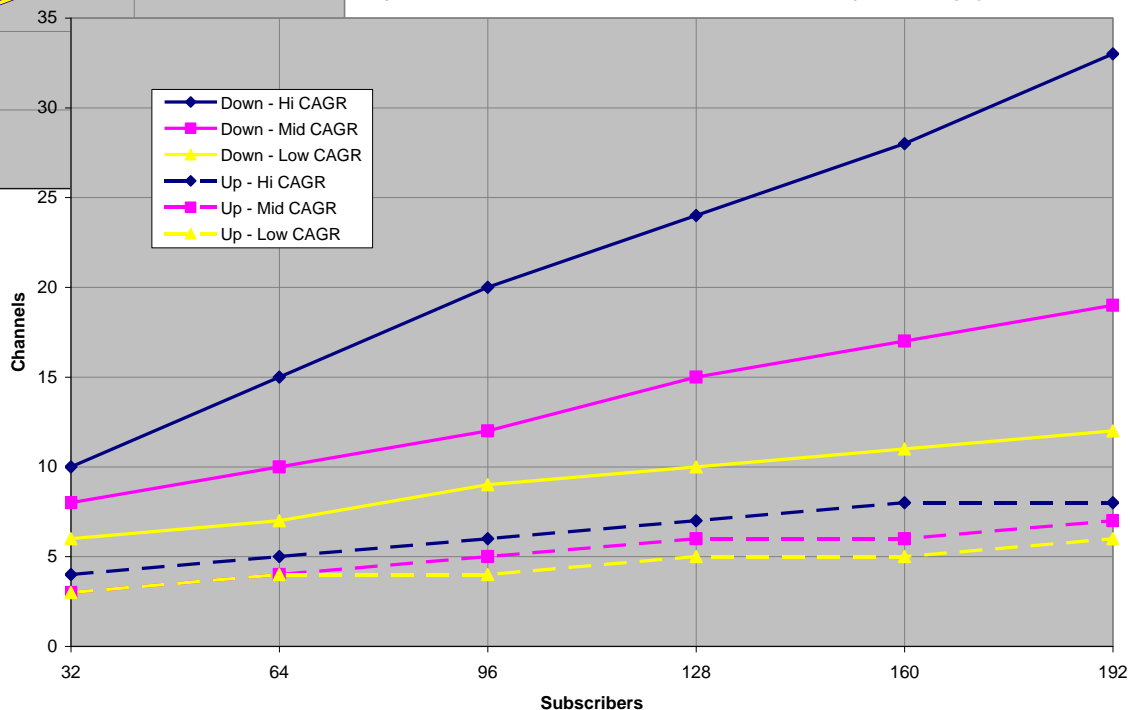
- GPON
 - Current generation (2.5 Gbps down, 1.25 Gbps up)
 - 2020: supports >100 Mbps at 1:128 split
 - Next generation 4x capacity
- EPON
 - Current generation (1 Gbps down/up)
 - 2020: supports 100 Mbps up to about 1:300 split
 - Next generation 10x capacity
- Active Ethernet
 - Gigabit Ethernet (1 Gbps down/up)
 - 2020: dedicated connection supports 100 Mbps by definition

DOCSIS 3.0 Channels Required to meet Year 2015 FCC Performance Goal (50/20 Mbps)



- Year 2015
 - 192 sub network: requires 7 channels down, 3 up

DOCSIS 3.0 Channels Required to meet Year 2020 FCC Performance Goal (100/50 Mbps)



- Year 2020
 - 192 sub network: 19 channels down, 7 up
 - 32 sub network x6: 8 channels down, 3 up (per network)

- Dedicated connection in first mile
- Technology options
 - Conventional: performance limited by Far End Crosstalk (FEXT)
 - Vectoring: cancels FEXT
 - Pair bonding: multiplies performance by # of pairs

Loop reach in kft, 24 AWG (based on BBF 2010.029)

Year (down/up rate)	12 FEXT	Vectored	2 pair + vectored
2015 (50/20 Mbps)	1.5 kft	2.5 kft	2.9 kft
2020 (100/50 Mbps)	NA	1.3 kft	2.2 kft

- With vectoring, upstream goals limit reach
 - NBP goals vs. consumer trends
 - NBP goals trending towards symmetric rates
 - Consumer demand trending away from symmetric
 - Modified upstream requirements
 - 10 Mbps in 2015, 30 Mbps in 2020
 - Balanced down/up performance for given loop reach
 - Upstream supports multiple high quality video conferences
 - Significantly greater loop reach (2 pair + vectored)

Loop reach in kft, 24 AWG (based on BBF 2010.029)

Year (down/up rate)	Vectored	2 pair + vectored
2015 (50/20 Mbps)	2.5 kft	2.9 kft
2015 (50/10 Mbps)	2.7 kft	4.5 kft
2020 (100/50 Mbps)	1.3 kft	2.2 kft
2020 (100/30 Mbps)	1.4 kft	2.7 kft

- Performance dependent on many factors
 - Channel bandwidth and frequency
 - Distance from base station
 - Terrain and obstacles
 - Signal processing (MIMO, beamforming, spatial diversity, ...)
 - Scheduling algorithm
- Analysis
 - Limit analysis to user population, channel bandwidth, average spectral efficiency
 - Ignore propagation effects (assume cell is capacity limited, not range limited)
 - Ignore cell edge spectral efficiency, use average (optimistic for fixed users near edge)
 - Parameters
 - 2:1 mobile/fixed user ratio
 - 3 sectors/cell, FDD
 - 1.3 bits/Hz directional antenna boost for fixed users
 - Low traffic CAGR for 4 Mbps target
 - Mid-range traffic CAGR for 50 and 100 Mbps targets

- Current generation LTE (through 2015)
 - Downstream spectral efficiency
 - 1.73 bits/Hz (mobile)
 - 3.03 bits/Hz (fixed)
 - 50 or 100 Mbps targets not feasible
 - At 4 Mbps, supports about 66 fixed users per cell in paired 10 MHz channels
- Next generation LTE-Advanced (in 2020)
 - Downstream spectral efficiency
 - 3.22 bits/Hz (mobile)
 - 4.52 bits/Hz (fixed)
 - At 100 Mbps: supports about 120 fixed users per cell with 80 MHz aggregated downstream bandwidth
 - At 50 Mbps: supports about 190 fixed users per cell with 80 MHz aggregated downstream bandwidth



OBI Technical Model

- Good overview of technical model
 - Sound model in most respects
 - ADTRAN review focus on technology (not economics)
- Reasonably transparent
- ADTRAN references and simulation results (e.g., Exhibit 4-BT)
- Issues with technical model
 - Busy Hour Offered Load (BHOL)
 - Cell capacity estimation
 - Channel bandwidth assumptions

- Mean BHOL in 3-5 Mbps service tier
 - ☑ Year 2009: 92 to 111 kbps (ok)
 - ☑ Year 2015: 370 to 444 kbps (low but ok)
 - ☒ Year 2015: “Omitting the heaviest 10% of users” → 160 kbps (wrong)
- **Dimensioning BHOL at less than 40% of actual level introduces bias throughout the model**

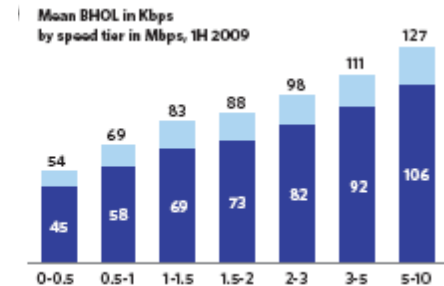


Exhibit 4-BQ (detail)

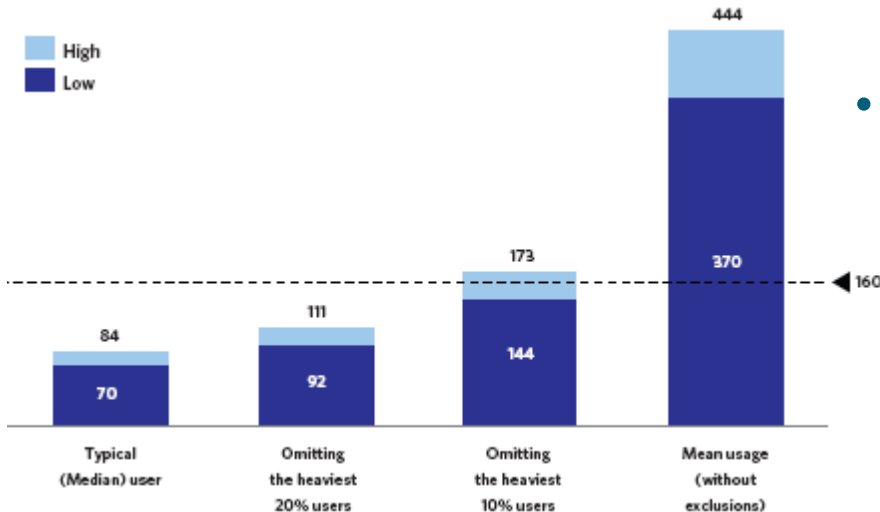
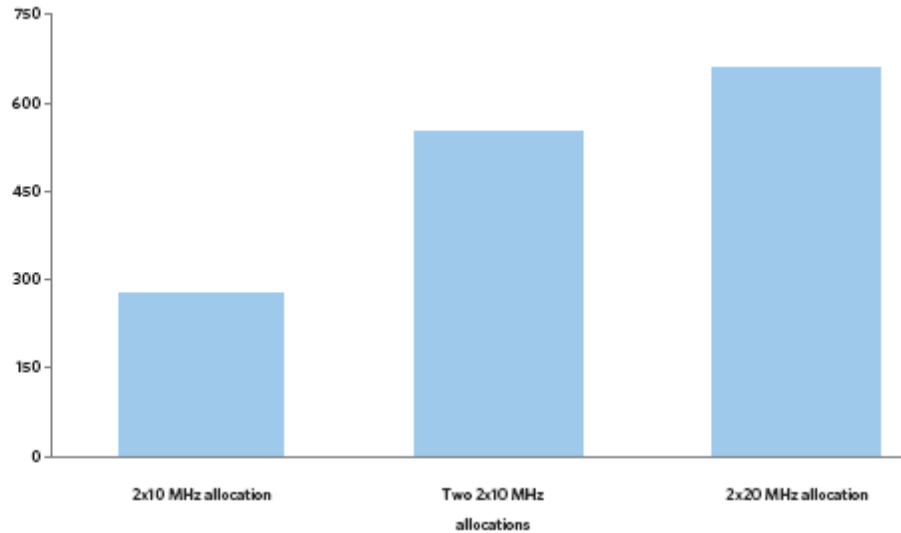


Exhibit 4-BS

- “Omitting the heaviest 10%” is *not* universal service!
- If the heaviest 10% is ideally “managed” (not omitted)
 - Large impulse at top end of demand distribution
 - Average >> 160 kbps
 - Impulse limits performance (vs. mean)
 - Ideal management not possible
- No support data or references

*Exhibit 4-Q:
Maximum Number
of Subscribers
Per Cell Site in
an FWA Network
with Directional
Antennas at the
CPE*

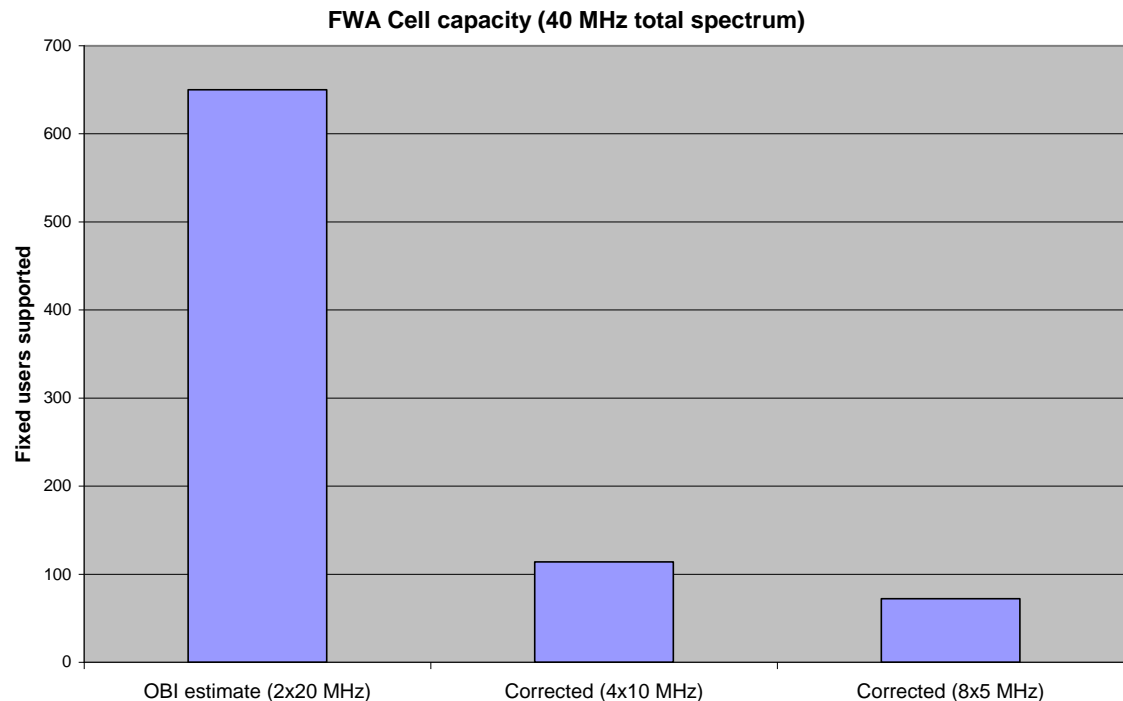


- Maximum cell capacity (2x20 MHz) estimated at 650 fixed users
- 650 fixed users → 113% average utilization
 - 160 kbps BHOL (p. 111)
 - 2 mobile users for each fixed user (pp. 53-54)
 - Fixed users generate 73% of total traffic (p. 54)
 - Avg. spectral efficiency = 1.43 for mobile users, 2.5 for fixed users with directional antennas (Exhibit 4-E and p. 72)
- Corrected cell capacity (accepting all parameters including 160 kbps BHOL) is approx. 400 fixed users
 - 70% average utilization

- Maximum cell capacity set at 650 fixed users
 - Assumes 2x20 MHz channels in the 700 MHz band (p.73)
- 700 MHz band auctioned in blocks of 6 to 12 MHz
- Few options for contiguous 20 MHz down
 - Blocks B, C, and unnamed block in between (734-757 MHz)
 - Blocks A, B, unnamed block, half of C (728-751 MHz)
- No options for contiguous 20 MHz up
 - Largest contiguous band is 18 MHz (698-716 MHz)
- Narrower channels are less efficient (Exhibit 4-Q)

- Correcting for issues:
 - 10 Mhz channels
 - 57 fixed users/cell (per 20 MHz total spectrum)
 - 114 fixed users/cell (per 40 MHz total spectrum)
 - 5 MHz channels
 - 18 fixed users/cell (per 10 MHz total spectrum)
 - 72 fixed users/cell (per 40 MHz total spectrum)

**Cell capacity
in paper is
high by factor
of 6x (at least)
for equivalent
spectrum**



- OBI Technical Paper (and model) are completed projects
- Possible future applications
 - CAF support?
 - Broadband Deployment reports?
 - Other programs?
- OBI has noted insensitivity of FWA model results to input conditions, but ...
- **Future use of model still requires correct parameters**
 - Large discrepancy (6x) exceeds range of sensitivity analysis
 - Localized results for funding purposes may be more sensitive
 - Avoid perception of bias